Message Text

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INFO OCT-01 EA-07 NEA-10 ISO-00 SCA-01 SCS-03 H-01 L-03 SSO-00 /034 W

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O R 260107Z JAN 77 FM AMEMBASSY SINGAPORE TO SECSTATE WASHDC IMMEDIATE 6982 INFO AMEMBASSY JIDDA

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E.O. 11652: N/A TAGS: EWWT, SN

SUBJ: RESPONSE TO CONGRESSIONAL INQUIRY ON SINGAPORE VESSEL

REF: A. STATE 15119 B. STATE 15318

- 1. NEPTUNE ORIENT PTE. LIMITED IS 100 PERCENT OWNED BY GOVERN-MENT OF SINGAPORE.
- 2. UPON RECEIPT OF REFTELS, EMBASSY OFFICER ON JANUARY 25 CONTACTED NEPTUNE ORIENT'S MANAGING DIRECTOR, GOH CHOK TONG, AND CHARTERING DIRECTOR SOLI SETNA. THEY CONFIRMED SUBSTANCE OF PARA 3 REF A AND PROVIDED FOLLOWING SUPPLEMENTAL INFORMATION.
- 3. IN ADDITION TO SCIMITAR DEFAULT ON CHARTER PAYMENTS FOR NEPTUNE TURQUOISE, NEPTUNE ORIENT (NOL) WILL ALSO HAVE TO BEAR PORT CHARGES IN AQABA WHICH MUST BE PAID TO ENSURE THAT NOL SHIPS CONTINUE TO HAVE ACCESS TO AQABA. IN ORDER TO RECOUP SOME OF THEIR LOSSES AND TO REDUCE PROSPECTIVE CHARGES, NEPTUNE ORIENT CHANGED TURQUOISE'S SCHEDULE AND INTENDED TO HAVE VESSEL STOP AT ODETTA, YEMEN TO DISCHARGE SOME OF ITS CARGO BEFORE PROCEEDING TO AQABA. AT THIS POINT, NEPTUNE ORIENT REPORTEDLY WAS CONTACTED BY DISCO ALUMINUM REPRESENTATIVES WHO PLEADED THAT THEIR CARGO HAD TO REACH AQABA BY END OF JANUARY. NEPTUNE LIMITED OFFICIAL USE

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ORIENT SAID IT WOULD ROUTE SHIP DIRECTLY TO AQABA IF DISCO WOULD MAKE CONTRIBUTION OF APPROXIMATELY \$50,000 TO COVER COSTS AND SOME OF NEPTUNE ORIENT'S LOSSES.

4. DISCO AT FIRST AGREED TO THESE TERMS AND NEPTUNE ORIENT DIRECTED THE SHIP TO AQABA. HOWEVER, ON JANUARY 24, NEPTUNE ORIENT WAS INFORMED BY ITS NEW YORK LAWYERS THAT DISCO ALUMINUM HAD

REVERSED ITS POSITION AND WAS UNWILLING TO MAKE THE SPECIFIED PAYMENT TO NEPTUNE ORIENT. IN TURN, NEPTUNE ORIENT IS NOW DIS-

INCLINED TO HAVE THE GOODS OFFLOADED WITHIN THE STATED TIME LIMIT. NEPTUNE ORIENT OFFICIALS CONTEND DISCO ALUMINUM HAS RENEGED ON THEIR AGREEMENT, THUS EXPOSING NEPTUNE ORIENT TO POTENTIAL ADDITIONAL LOSSES. WE HAVE ALSO BEEN INFORMED BY NEPTUNE ORIENT THAT DISPOSITION OF CARGO IS AT ITS DISCRETION.

5. MR. SETNA STATED NEPTUNE ORIENT CAN STILL HAVE THE WINDOW FRAMES DELIVERED ON TIME IF DISCO ALUMINUM WILL ABIDE BY THEIR EARLIER AGREEMENT. HE EXPLAINED THAT THE SHIP SHOULD REACH AQABA WITHIN TWO DAYS AND NEPTUNE ORIENT REPRESENTATIVES ARE ALREADY NEGOTIATING WITH AQABA AUTHORITIES FOR BERTHING RIGHTS. HE WAS CERTAIN THAT GOODS COULD BE OFF-LOADED BY JANUARY 27. HOLDRIDGE

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Message Attributes

Automatic Decaptioning: X

Capture Date: 01-Jan-1994 12:00:00 am Channel Indicators: n/a **Current Classification: UNCLASSIFIED**

Concepts: NEPTUNE ORIENT

Control Number: n/a

Copy: SINGLE Sent Date: 26-Jan-1977 12:00:00 am Decaption Date: 01-Jan-1960 12:00:00 am

Decaption Note:

Disposition Action: RELEASED Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW

Disposition Date: 22 May 2009 Disposition Event:

Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977SINGAP00342
Document Source: Conditional Conditions of the Conditional Conditional Conditions of the Conditional Conditional Conditions of the Conditional Condition

Document Unique ID: 00

Drafter: n/a Enclosure: n/a Executive Order: N/A

Errors: N/A **Expiration:**

Film Number: D770027-0817

Format: TEL From: SINGAPORE Handling Restrictions: n/a

Image Path: ISecure: 1

Legacy Key: link1977/newtext/t19770116/aaaaantl.tel

Line Count: 78 Litigation Code IDs: Litigation Codes:

Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM

Message ID: 6cdfdad0-c288-dd11-92da-001cc4696bcc Office: ACTION EB

Original Classification: LIMITED OFFICIAL USE Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

Page Count: 2
Previous Channel Indicators: n/a

Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a

Reference: 77 STĂTE 15119

Retention: 0

Review Action: RELEASED, APPROVED Review Content Flags: Review Date: 22-Feb-2005 12:00:00 am

Review Event:

Review Exemptions: n/a **Review Media Identifier:** Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

SAS ID: 3495120 Secure: OPEN Status: NATIVE

Subject: RESPONSE TO CONGRESSIONAL INQUIRY ON SINGAPORE VESSEL

TAGS: EWWT, SN To: STATE Type: TE

vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/6cdfdad0-c288-dd11-92da-001cc4696bcc

Review Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009